

2006 REPORT TO THE CITIZENS OF SAN DIEGO

Twenty-four months ago you elected me to be your City Attorney. When I took the oath of office on December 6, 2004, I shared with you the government we sought:

We need a government that is honest, a government that is efficient, a government that is dedicated, and a government that is committed solely to the public interest.¹

San Diego faced the worst legal and financial crisis in its history: a fraud investigation against the City by the United States Securities & Exchange Commission (SEC); a \$100 million judgment against the City in the Roque de la Fuente case; escalating demands that taxpayers pay millions of dollars to subsidize a football stadium; \$200 million in claims for false wastewater rate practices; and a pension deficit of one billion dollars.

Tonight I am happy to report that the SEC investigation has been settled; the \$100 million judgment against the City has been reversed; the demands for the City to subsidize a football stadium have been abandoned; the rate payer case has settled; and the first phase of the trial to set aside millions of dollars in illegal pension benefits has ended. While much remains to be done, the people of San Diego now know their interests and security are better protected because of their City Attorney.

For 17 days following the 2004 election for City Attorney the outcome was in doubt. During that time, those in control of City government seized on that uncertainty and began a campaign to disrupt your mandate to clean up the legal mess at City Hall.

These City officials had much to fear and much to hide. They had ruined the City's financial stature. They did not want anyone to expose their wrongs.

They had concealed a billion dollar pension debt from taxpayers and investors, violating fiduciary and federal securities laws.

On the eve of assuming office, the previous administration attempted to shift from the City Attorney to the City Manager authority over the outside counsel investigating the wrongdoing.

As I was being sworn in, evidence physically located in the City Attorney's office was being moved to offices controlled by the City Manager.

Within days of my taking office, other City departments were destroying documents. Even certain employees within the City Attorney's Office disrupted the investigation into the City's unlawful and improper activities. These employees no longer work for the City.

¹ Quote from President John F. Kennedy.

Fearing possible criminal prosecution from your City Attorney, City officials then attempted to take away the City Attorney's criminal prosecutorial authority. That effort failed.

On the day I became your City Attorney I reported the facts to you as I understood them.

[GO TO VIDEOTAPE OF INAUGURATION]

Today, San Diego is confronted by the most serious legal and financial crisis in our history. So, my duty as your City Attorney requires I use this first occasion to "speak the truth, frankly and boldly" about the legal causes of our financial difficulties. The facts speak for themselves:

- **The United States Attorney and the FBI are investigating City officials and employees involved in issues related to the pension fund,**
- **The City has not issued a certified financial statement since June 2002,**
- **The City's outside auditor has refused to issue a certification for our 2003 financial statement until outside legal counsel completes a second investigation into alleged illegal acts by City officials.**
- **Earlier in the year, the former City auditor and the former City manager resigned under pressure.**
- **The City is paying the legal bills for criminal defense lawyers representing present and former City officials,**
- **The City is paying millions of dollars to outside legal counsel, auditors, and experts in connection with the City's stalled 2003 audit because of more alleged illegal acts by City officials,**
- **And, the City is running out of money. It does not even have enough to pay for new water and wastewater projects required under a federal consent decree, and it may have to scrap plans to fix fire and lifeguard stations.**

My first goal was to investigate and reveal to you how the City reached this financial crisis. We learned that prior administrations were responsible for our troubles. We learned that their actions were not accidental, but reckless or intentional. I have issued 12 reports detailing the facts.

Here's what we know. In 1996 Mayor Susan Golding and the City Council faced demands for more money than the City could afford: (1) Owners of the San Diego Chargers wanted a \$10 million signing bonus to extend their lease and a costly renovation of Jack Murphy Stadium; (2) City unions wanted increased pension benefits; (3) Others wanted to commit City funds to host the Republican National Convention.

While proclaiming “no new taxes or fees,” Mayor Golding, the City Council, and other City officials obligated the City to pay for the stadium renovation, the increased pension benefits, and the Republican National Convention.

Mayor Golding and other City officials organized a scheme to place the oppressive financial burden on later years and future generations. This violated state and charter debt limit laws. It ignored the consistent decision of voters to prohibit such abusive municipal debt practices. And it violated state and charter prohibited financial interest laws.

Officials withheld material information about this massive debt from investors, in violation of federal securities laws. City officials now face criminal and civil charges arising from the wrongdoing. So far Mayor Golding and other City officials have escaped responsibility for their actions.

The “no new taxes or fees” policy was heralded by the editorial decision makers at the *San Diego Union-Tribune*:

By contrast, Golding wants to increase the size of San Diego’s police force without levying new taxes or fees. Under her proposal, part or all of the City’s annual increase in property tax revenues would be earmarked for new officers. Preliminary estimates place next year’s increase in property tax revenues at \$6.5 million.²

While proclaiming “no new taxes or fees,” Mayor Golding and the City Council obligated the City to pay \$173 million for stadium renovations in annual payments of \$5.7 million between 1997 and 2027. They failed to provide the revenues needed to pay these bills. Instead they used two creative finance devices. One was the “triggering event,” which would allow team owners to shop the team to other cities; the other was a 60,000 ticket per game ticket guarantee, which obligated the City to buy all unsold game tickets at prices set by the team owners.

Mayor Golding and the *Union-Tribune* represented to the public that the team had agreed to stay in San Diego for 25 years in exchange for the stadium improvements. It had not.

The bond measure would finance a major expansion of Jack Murphy Stadium from 60,826 to 70,890 seats, and build a new team practice facility in nearby Murphy Canyon. In exchange for the improvements, the Chargers would stay in San Diego for another 25 years, under a lease extension approved by the City Council and the defending AFC champions last year.³

² 7 October 1992 San Diego Union Tribune editorial endorsement “A mayor for the 1990’s” [attached]

³ 9 January 1996 San Diego Union Tribune editorial “Approve the Stadium Deal San Diego should not risk losing the Chargers.” [attached]

The newspaper's private consultant warned that the team lease had a "triggering event" clause that allowed the team to renegotiate the lease or leave San Diego for a better deal elsewhere. Experts told the newspaper the City was giving team owners an "undeserved out:"⁴

Furthermore, it is hard to understand why the Chargers should be given a break for such a triggering event. It is their expenditure of money (and indirectly through the NFL) that would cause such an event to occur. The City seems to be giving them an undeserved out at this point.⁵

Mayor Golding and the City Council also made use of another creative finance device, known as the "ticket guarantee." The City agreed to buy all unsold game tickets -- for 10 years -- at prices set by the team owners. This reckless financial obligation was supported by Mayor Golding's political allies, including the *Union-Tribune*, which recklessly proclaimed it a "good deal" that would make the City "millions":

A few years from now, when the stadium is complete, the 60,000 seats are filled and the City is making millions on the deal, today's brouhaha will be a dim memory. San Diegans will just be glad they didn't chase the Chargers out of town by forcing the City to renege on a good deal.⁶

At the same time, in 1996, Mayor Golding and City officials granted hundreds of millions of dollars in unfunded pension benefits. Still, they proclaimed there would be no new fees or taxes. City officials used two creative financing terms to allow pension benefits to be increased but pension contributions to be decreased. These were the trigger clause and the balloon payment. They were the creative financing cousins of the ticket guarantee.

Here's how the scheme, the trigger and the balloon payment worked. Increased pension benefits were granted to pension board members and other City employees, but without necessary funding. In exchange, pension board members allowed the City to contribute less than needed to pay for existing benefits. The underfunding would be allowed to grow for a decade, unless the ratio of assets to liabilities fell below an 82.3% "trigger" point. If the trigger point was hit, under the plan, the City would make a massive multi-million "balloon payment" to bring the funding level back to 82.3%.

As with all Ponzi schemes, the only problem was that no money was set aside to make the balloon payment when the 82.3% trigger point was hit. And when that happened in 2002, the City could not pay without substantial damage to its budget.

⁴ National Sports Institute Analysis of the City of San Diego's stadium-expansion contract.

⁵ National Sports Institute Analysis of the City of San Diego's stadium-expansion contract.

⁶ 22 January 1997 Union Tribune editorial "A good deal City will reap benefits from stadium expansion." [attached]

Ironically, the *Union-Tribune* wrote a news account detailing essential facts of the pension funding scheme on June 21, 1996. Yet its editorial board chose to look the other way. The paper wanted the City to pay for the Republican National Convention; it was less interested in stopping the drain on the City's finances. Internal documents told Mayor Golding and other officials that underfunding the pension would free up \$8.66 million. Other documents show the City spent \$6.473 million on the Republican National Convention.⁷

Attorney Ann Parode, a pension board member, warned against the underfunding scheme. To her eternal credit, Ms. Parode had the courage and integrity to vote against the proposal. She predicted that the costs of the pension would be shifted to future generations. She was right.

Tonight I acknowledge Ms. Parode for her courage with an outstanding citizen award. Had City officials and the newspaper listened to Ms. Parode, we would not be in the financial crisis we face today.

By 2000, the City was beginning to reel from the costs of the ticket guarantee, the stadium renovation, and the pension underfunding scheme. This was the state of the City when former Mayor Dick Murphy was elected.

Once again the power players at the newspaper endorsed a mayor who would march to their tune. In its endorsement of Mr. Murphy, the newspaper finally acknowledged – four years after the fact – that the Chargers ticket guarantee had proven to be a financial disaster:

Voter dissatisfaction with City government has reached dismal proportions. Confidence in the mayor and City Council has ebbed ominously. The spiraling costs of the Chargers ticket guarantee, coupled with the Padres' decision to suspend construction on the downtown ballpark, have become painful symbols of municipal ineptitude. ***

The newspaper cast Mr. Murphy as the right candidate. But as events would show, Murphy agreed to be, or allowed himself to become, a shill for the same irresponsible players who already had ruined the City's financial condition:

While Roberts is known for twisting arms when necessary, Murphy has a soft-spoken, unassuming air and a judicial manner. He is regarded almost universally as a thoughtful intellect and a good listener. Where Roberts is prone to charging off toward a solution of his own, such as his failed

⁷ 28 May 1996 Closed Session Meet and Confer memorandum "San Diego City Employees Retirement System (SDCERS) Proposal Overview;" 11 October 1996 letter from City Manager Jack McGrory to John Gibson Director Reports & Analysis Division Federal Election Commission." [both writings are attached]

campaign to build a binational airport at the border, Murphy is a patient consensus builder.⁸

Upon taking office, Mayor Murphy was confronted with a demand to fund the downtown ballpark. Under the plan approved by voters in 1998, the ballpark was to be paid for with new hotel taxes from new hotels produced by the owner of the baseball team. By 2000, the team owner had declined to keep his commitment.

Mayor Murphy capitulated and announced a “revised financing plan [that] bears little resemblance to that approved by voters in 1998.”⁹ Again Mayor Murphy relied upon the “no new taxes or fees” policy. He failed to secure new revenues needed to pay hundreds of millions of dollars for the ballpark construction bond. The newspaper misinformed the public, claiming “other sources” – not identified – would pay the bonds and the City had the “fiscal resources” to pay:

Under Murphy’s revised proposal, the City no longer would rely on room taxes from the Campbell Shipyard property. Instead, that money would be made up entirely from other sources, including higher-than-projected tax increments generated by the City’s redevelopment agency, the Centre City Development Corp. ***

The truth is that the City always has had the fiscal resources to pay for its share of the ballpark. Murphy’s creative financing strategy simply reduces the City’s reliance on hotel taxes and shifts the burden to other, more stable sources of funds.¹⁰ (emphasis added)

The newspaper covered the Mayor, unleashing a string of misleading editorials: On March 4, 2001 (“taxpayers would save an estimated \$120 million”); November 6, 2001 (“Mayor Dick Murphy’s new ballpark financing plan is a good deal for taxpayers”); and November 19, 2001 (The new financing plan represents “a significant improvement for taxpayers”).

On December 3, 2001 Mayor Murphy’s “no new taxes or fees” ballpark financing plan was cited by the newspaper as his greatest achievement:

In our view, the single most important action taken by the mayor and City Council during the past year has been the revival of the downtown ballpark. Murphy’s steady leadership on this complex, long-troubled project made the crucial difference between success or failure.

⁸ 15 October 2000 San Diego Union Tribune endorsement “Murphy for mayor” San Diego needs strong, independent leader” [attached]

⁹ 19 November 2001 Union Tribune editorial “Decisive vote A chance for a thriving downtown, ballpark” [attached]

¹⁰ 25 February 2001 Union Tribune editorial “Stalled ballpark Mayor devises a better financing plan.” [attached]

Again taxpayers were burdened with hundreds of millions of dollars of new debt without the revenues needed to make \$13 million in annual ballpark bond payments. Officials had no regard for keeping revenues and expenditures in balance. The financial consequences of underfunding the pension benefits and professional sports team subsidies struck hard at the City's budget in 2002, the same year the City issued the ballpark bonds.

City officials concealed this growing debt with false and misleading financial statements and disclosures. As a result, in November 2006, the SEC found City officials committed the largest pension-related securities fraud in American history.

Facing a financial meltdown because officials had increased pension benefits while decreasing contributions, Mayor Murphy and other City officials side-stepped the balloon payment required by the trigger. Instead, they granted another round of pension benefits to pension officials and City employees – again, with no revenues available.

In 2002, the pension's funding level was dropping close to the 82.3% trigger. If it were hit, the City would have to make a multi-million-dollar balloon payment to the pension. The City was in its final stages of issuing ballpark bonds. The related disclosure documents did not disclose the City's massive pension debt. Additional stress was placed on the City's cash position by Mayor Murphy's decision to use \$40 million of City and redevelopment funds for the ballpark. The City did not have the money to make the balloon payment without substantial damage to the City budget.

Mayor Murphy and other City officials adopted a new plan, allowing the City to avoid the trigger in exchange for creating a new round of unfunded pension benefits. Again, this was done with “no new taxes or fees.”

Again, this arrangement violated state and charter prohibited financial interest laws as well as state and charter debt limit prohibitions. Again, the arrangement was hidden from investors and taxpayers. And again, the newspaper “watchdogs” were sound asleep. The newspaper put its push for ballpark bonds ahead of their readers' right to know the financial disaster about ready to explode.

As soon as the ballpark bonds were issued, the owners of the Chargers demanded a new taxpayer-subsidized football stadium. The football team owners reneged on their promise to keep the team in San Diego until 2020, five years after representing they would stay except in the case of “severe financial hardship.”

Once again, Mayor Murphy capitulated. He and other City officials agreed to lower the rent the Chargers owed the City in the second half of the agreement, potentially costing taxpayers \$75 million. Again, Mayor Murphy created debt without revenues to pay it. Once again, the *Union-Tribune* issued false information in a string of editorials:

The potential benefit is that the amended agreement would set in motion constructive talks on a new stadium, abolishing in one stroke both the widely despised ticket guarantee and the Chargers' pending lawsuit against the City. Victory for all sides would be achieved ultimately through voter approval of a new stadium.¹¹ ***

The amended lease between the City and the Chargers for use of Qualcomm Stadium deserves swift approval by a solid majority of the San Diego City Council. It is a much-improved deal for taxpayers. ***
(emphasis added)

For the City, the best news in the new lease is that it would finally abolish the odious provision for the taxpayer-subsidized "sellouts" of home games at Qualcomm. The hated ticket guarantee has cost the City \$36.4 million since 1997.¹² (emphasis added)

The newspaper knew the City's proposal did not rid the City of the ticket guarantee, which expired, under the original agreement, on the third game of the 2007 season. The agreement, in fact, had extended the ticket guarantee by permanently reducing the Chargers' rent. This cost taxpayers more than \$75 million. Until 2027, taxpayers will have to pay \$5.7 million annually for stadium improvement bonds.

Mayor Murphy pleased those who benefited from the corporate sports subsidies. On October 25, 2004, despite the Murphy administration's grave failures, the newspaper again endorsed him:

But the genesis of the financial problems predated Murphy at City Hall. And, despite our disappointments in his response to the growing peril, we believe Murphy is best suited to tackle the tough job ahead. ***

Unfortunately, employee pension benefits must be cut. And the public must be told the truth every step of the way.¹³

A few months later, *Time* magazine labeled Mayor Murphy one of the four worst mayors in the country. A week later, on April 25, 2004, Mayor Murphy announced his resignation. *Time* magazine's spotlight on Murphy's failures embarrassed the mayor, but implicitly indicted the local newspaper that endorsed his actions. It shattered the paper's credibility.

¹¹ 23 April 2004 San Diego Union Tribune editorial "Football gamble Will City be thrown for a loss in a new deal?" [attached]

¹² 11 July 2004 San Diego Union Tribune editorial "Chargers' lease Approve agreement, debate team's future" [attached]

¹³ 25 October 2004 San Diego Union Tribune "Re-elect Murphy Methodical mayor can best fix the City's woes" [attached]

The facts and evidence behind the pension funding scheme were disclosed by another courageous woman Diann Shipione. She was rewarded for her efforts by becoming the target of a scheme to arrest her hatched by those city officials most deeply involved in the illegal scheme. For her bravery and example of exemplary citizenship I am tonight acknowledging her contribution to the welfare of our city with an outstanding citizen award.

I have been persistent in taking action to correct past mistakes.

On December 9, 2004, three days after taking office, your City Attorney took action to right the course of City government.

Our office undertook an independent investigation into issues previously raised by Vinson & Elkins (V&E) in its September 16, 2004 report on the City's financial disclosure obligations.

Second, on December 15, 2004, I reasserted the authority of the Office of the City Attorney to serve as chief legal advisor for the pension system. The pension system's former legal counsel has been indicted for alleged criminal acts by the United States Grand Jury for her role in the unlawful pension scheme.

Third, on January 7, 2005, our Office issued a report to the City Council recommending ways to reduce the billion dollar pension deficit. Mayor Murphy refused to even schedule a City Council meeting to discuss the proposals.

One week later, the City Attorney's Office issued its first investigative report on the City's pension debacle. We revealed that a committee organized by Mayor Murphy in 2002 to inform the public about the City's financial condition had issued false and misleading statements that understated the City's pension liability by 318% or \$215 million. We presented our findings at a community forum on January 18, 2005.

In a second investigative report, we concluded there was "substantial evidence consistent with a finding that the Mayor and City Council engaged in civil violations of federal securities laws related to the City's financial disclosure statements and the employees' unfunded pension system." Mayor Murphy and several Council members rejected these findings.

To resolve the dispute, Kroll Inc. was retained to reconcile findings of the City Attorney's investigative reports and those of the Vinson & Elkins report. Hiring Kroll turned out to be a huge mistake. Kroll billed San Diego taxpayers more than \$20 million and still failed to complete its assignment.

[GO TO VIDEOTAPE OF KROLL]

The City Attorney's Office issued eight additional investigative reports exposing the pension crisis. This office revealed that City officials violated California's conflict of

interest laws, Government Code section 1090; California Constitution Article XVI, section 18, which requires a City to seek voter approval before creating certain financial liabilities; and the City Charter, section 99, which requires the City to “pay as you go” as a cardinal rule of municipal finance:

PROTECTING TAXPAYERS

As the independently elected City Attorney, I must work to protect taxpayers. City officials have a fiduciary duty to manage all public funds for the benefit of the public.

In that regard, the City Attorney’s Office has initiated lawsuits to recover damages for incompetent work performed by outside consultants who exploited the City when it was most vulnerable. To date, we have recovered more than \$4 million and a \$2.9 million settlement is pending.

In August 2005, after V&E billed the City \$6.2 million and failed to meet professional standards in its investigative report, the City Council terminated its contract with V&E. Last July, the City Attorney’s Office filed a lawsuit against V&E seeking \$10 million for breach of contract, breach of fiduciary duties, and professional negligence. The lawsuit is ongoing.

On August 8, 2006, the City Attorney’s Office initiated an investigation into alleged violations by Kroll Inc. under the False Claims Act. This law punishes those who knowingly present a City with a false claim for payment or approval. It also requires the City Attorney to “diligently investigate” alleged violations of the Act (Government Code Section 12652 (b) (1)).

Your City Attorney will make every effort to secure the support of the Mayor and City Council for this effort. However, under state law, false claims cases to recover taxpayer funds may be brought independently by the City Attorney.

On May 19, 2005, after the District Attorney filed criminal charges against former City officials related to the pension scheme, I called upon the retirement system board to discontinue “any additional payments of legal fees for the six board members.” They refused.

The following day, I urged former Mayor Murphy and the City Council to rescind a 2002 agreement to defend, indemnify and hold harmless the members of the SDCERS for their approval of the 2002 pension funding scheme. As of today, this action still has not occurred.

LEGAL REMEDIES PROPOSED

From the beginning of my administration, I have urged the Mayor and City Council to implement a legal action plan to address the City’s financial condition.

On January 10, 2005, I provided a detailed plan to the City Council recommending ways to reduce the billion dollar pension deficit.

On February 22, 2005, I recommended a negotiated settlement between the City and SEC. I also recommended the City Council establish an audit committee. The settlement agreement was announced in November and they established an audit committee last week.

[GO TO VIDEOTAPE OF SEC]

Four council members deserve special mention for their selfless act in voting to approve this settlement. Council President Scott Peters, and Council members Atkins, Maeinschein, and Madaffer. Each of these council members put the City ahead of his or her personal interests by voting to approve the SEC settlement. I would like to commend them for that. [SPECIAL ANNOUNCEMENT]

On August 16, 2005, your City Attorney released a 15-point recovery plan to resolve the City's legal, accounting and financial crisis. The plan also included a recommendation that voters approve any future employee pension benefit increases. Voters adopted this proposal with Proposition B, which requires all pension benefit increases to be submitted to voters for their approval during the next 15 years. I hope voters will make this a permanent requirement in 2008.

PENSION TRIAL

As we have discussed, the City is facing a \$1.5 billion pension deficit. This would require every single family household in San Diego to pay \$6,000. Our goal is to set aside \$900 million of illegal benefits.

The first phase of the trial held to set aside the illegal benefits has been completed before Judge Jeffrey B. Barton we expect a ruling this week.

DE LA FUENTE

In 2001, four years before I took office, the City lost a lawsuit brought by developer Roque de la Fuente. Working with Executive Assistant City Attorney Don McGrath and Kristine Wilkes of the Latham & Watkins law firm, we were able to secure a reversal of the judgment. The \$100 million judgment was nullified.

REVENUE & RECOVERY

The City Attorney's Office also works to recover revenue for the City of San Diego. Since taking office, more attorneys have been added to our Revenue and Recovery Unit to strengthen it and assist in our ability to recover revenues. Since July 2005, the revenue recovery cases initiated by the City Attorney's Office in its Civil Division have brought in \$14,413,600. This includes \$6 million in settlements of lawsuits the City Attorney

initiated against professional firms advising SDCERS. We are pursuing other recovery cases with the goal of recovering several million dollars more for San Diego taxpayers.

INFRASTRUCTURE

As important and as challenging as our financial crisis is, we cannot allow our basic infrastructure to break down. We require major upgrades to our water, wastewater, storm water, and streets and roads infrastructure.

We face significant liability exposure from the State Department of Health Services for our decaying water system, from the Federal Environmental Protection Agency for our antiquated wastewater system, from the State Water Quality Control Board for our unreliable storm water system, and from multiple lawsuits due to our pothole-laden streets and roads.

According to a June 9, 2006 report to the Public Safety & Neighborhood Services Committee, the City has 2,735 miles of streets with 60% in need of repairs. And yet over the last six years, while the City has spent \$114 million on the Chargers, we have allocated only \$30 million on our streets and roads.

PUBLIC SAFETY

While we must contend with the pension legal crisis and address our infrastructure needs, we cannot allow our neighborhoods to become unsafe.

Neighborhood Prosecution Unit

Our Neighborhood Prosecution Unit works in partnership with the San Diego Police Department, community organizations, and other agencies to aggressively and creatively combat neighborhood crime. They have worked hard this year with Council Member Kevin Faulconer in District 2 and Council Member Toni Atkins in District 3.

Drug Abatement Response Team Unit

In January 2005 I expanded the work of DART and created a stand alone-unit. Today, DART prosecutors address a wide variety of crime-related public nuisances including prostitution, gangs, and narcotics.

Code Enforcement Unit

Our Code Enforcement Unit (CEU) aggressively prosecutes property owners who maintain blighted, deteriorated properties which attract nuisance activity and crime.

Consumer Environmental Protection Unit

Our Consumer and Environmental Protection Unit prosecutes criminal and civil violations of state and municipal laws involving public health, consumer transactions, environmental pollution, and other unlawful acts and practices.

LAND USE REFORMS

The City Attorney sections of Redevelopment, Real Property, Environmental, and Land Use Litigation – all located on the same floor and working in harmony – are committed to ensuring that the City’s give-away deals are not repeated.

Hundreds of San Diegans give unlimited time participating in their neighborhood planning decisions. Tonight I want to commend one of those outstanding community members, Tom Mullaney, for his tireless work on behalf of those who believe we can balance development with good planning principles.

NEW WEB SITE

This past August the City Attorney’s office launched a Web site. The objective was to “make available, in real-time, the information and documents that are part of a citizen’s essential right to know.”

Just log onto www.sandiegocityattorney.org.

CONCLUSION

The people of San Diego have broken with the old ways of doing business. No longer will one group of powerful special interests be permitted to control City Hall.

The vast majority of San Diegans are wage earners who struggle to support their families. They cannot afford to pay \$6,000 per household to correct the mistakes of city officials. They need and want the rule of law restored and maintained. They want the legal mess at City Hall cleaned up. I do not fear this challenge I welcome it.¹⁴

President Lincoln challenged his generation of reformers with words we should remember: “let us [not] be slandered from our duty by false accusations against us ... Let us have faith that right makes might and, in that faith, let us, to the end, dare to do our duty as we understand it.”

Thank you and good night.

¹⁴ Paraphrase of John F. Kennedy.